

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

United States Courts
Southern District of Texas
FILED

JUN 12 2019

David J. Bradley, Clerk of Court

UNITED STATES OF AMERICA §

V. §

JEFFREY STERN §

CRIMINAL NO. §

(UNDER SEAL) §

INDICTMENT

19 CR 450

COUNT ONE

**(Willfully Filing False Tax Return –
26 U.S.C. § 7206(1))**

1. On or about the dates shown below, in the Houston Division of the Southern District of Texas and elsewhere,

JEFFREY STERN,

Defendant herein, did willfully make and subscribe a U.S. Individual Income Tax Return, IRS Form 1040, and related Schedules, for the following calendar year set forth below and filed with the Internal Revenue Service on or about the date indicated below, which return contained and was verified by a written declaration that it was made under the penalties of perjury, and which Defendant did not believe to be true and correct as to every material matter in that Defendant: (a) reported that Other expenses, REFERRAL FEES, on Schedule C, Part V of Form 1040 was the amount indicated below, whereas, as he then and there knew and

believed, the amount of Other expenses, REFERRAL FEES, on Schedule C, Part V of Form 1040 was substantially less; (b) reported that Other expenses on Schedule C, Line 27a of Form 1040 was the amount indicated below, whereas, as he then and there knew and believed, the amount of Other expenses on Schedule C, Line 27a of Form 1040 was substantially less; (c) reported that Expenses, Advertising, reported on Schedule C, Line 8, was the amount indicated below, whereas, as he then and there knew and believed, the amount of Expenses, Advertising, reported on Schedule C, Line 8 was substantially less; (d) Net profit, reported on Schedule C, Line 31 and Business income, reported on Form 1040, Line 12, was the amount indicated below, whereas, as he then and there knew and believed, the amount of Net profit on Schedule C, Line 31 and Business income on Form 1040, Line 12, was substantially greater; and (e) reported that total tax on Form 1040, Line 61 was the amount indicated below, whereas, as he then and there knew and believed, the amount of total tax on Form 1040, Line 61 was substantially greater:

Count	Calendar Year	Approximate Date of Filing	Other expenses, REFERRAL FEES, reported on Schedule C, Part V	Other expenses, reported on Schedule C, Line 27a	Expenses, Advertising, reported on Schedule C, Line 8	Net profit, reported on Schedule C, Line 31 and Business income, reported on Form 1040, Line 12	total tax, reported on Form 1040, Line 61
1	2012	June 27, 2013	\$2,333,421	\$11,528,470	\$999,371	\$3,212,038	\$1,192,095

In violation of Title 26, United States Code, Section 7206(1).

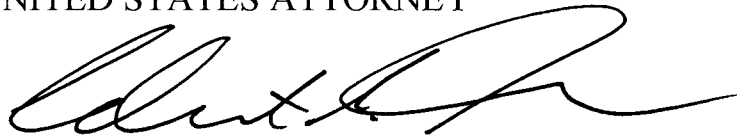
A TRUE BILL:

ORIGINAL SIGNATURE ON FILE

FOREPERSON OF THE GRAND JURY

RYAN K. PATRICK
UNITED STATES ATTORNEY

By:

A handwritten signature in black ink, appearing to read 'Robert S. Johnson', written over a horizontal line.

Robert S. Johnson
Assistant United States Attorney